DOCUMENT RESUME

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ABSTRACT

Projections in this document form the basis of the site-based budget planning process for schools in the Seattle (Washington) School District. These projections are based on the Weighted Student Formula approved by the School Board in February 1997. The Weighted Student Formula is based on three principles: (1) resources follow the student; (2) resources are denominated in dollars and not in full-time-equivalent staff; and (3) the allocation of resources varies by the personal characteristics of each individual student. Each school will receive a foundation allocation for basic administrative operation and a weighted student allocation based on the characteristics of students. Section I provides an overview of the Weighted Student Formula allocation system. The discussion includes an overview of the formula, its basic mathematical underpinnings, the weightings assigned to various student characteristics, and a timeline for implementation of the formula. Section II summarizes the district's predictions of budget resources to be allocated to every school in the district on a school-by-school basis. The level of funding driven to each school through the formula is projected based on the projection of student enrollments and district funding reductions. These projections should be the basis of the school's site-based budget planning process. A grade-level-by-grade-level breakdown of the enrollment projections for each school and supporting presentation materials are also included. (SLD)

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ED 412 617

SEATTLE SCHOOL DISTRICT

WEIGHTED STUDENT FORMULA

Budget allocations to Schools for the 1997-98 School Year

U.S. DEPARTMENT OF EDUCATION
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TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

EA 028 691

MEMORANDUM

"Creating a World Class, Student-Focused Learning System"

Date: March 3, 1997
To: School Principals/Program Managers
From: Joseph Olchefske, Chief Financial Officer
Re: ***Weighted Student Formula Allocations to Schools***

Enclosed are materials pertaining to the allocation of District resources under the Weighted Student Formula for the 1997-98 budget year. The projections contained in this document will form the basis of every school's site-based budget planning process for the 1997-98 school year. These projections embody the recommendations made by the Educators Committee in their report to the School Board on January 24. On February 19, the Board unanimously approved the use of the Educators Committee recommendations in the implementation of the Weighted Student Formula for the 1997-98 school year.

This document describes the following major elements of the Weighted Student Formula:

(i) Background on the Weighted Student Formula - Section I provides a broad overview of the Weighted Student Formula allocation system. Included in this discussion is an overview of the Formula, its basic mathematical underpinnings, the weightings assigned to the various student characteristics and a timeline for implementation of the Formula.

(ii) Budget Projections - Section II summarizes our projections of budget resources to be allocated to every school in the District on a school-by-school basis. We have projected the level of funding which will be driven to each school through the Formula for the 1997-98 school year based on our projection of student enrollments and District funding reductions. These projections should be utilized as the basis for each school's site-based budget planning process. On the reverse side of the page from the budget projection, we have included a grade-level-by-grade-level breakdown of the enrollment projections for each school.

The information contained in this book should be used in tandem with the materials provided to every school in *"Budget Forms and Guidelines"* (the Green Book) for developing your school's 1997-98 budget. The Green Book will provide you with detailed instructions for completing your school's budget for inclusion in the District's overall 1997-98 budget. I encourage you to work closely with your assigned budget analyst as you assemble your school-based budget over the course of the next month.

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Section I

INTRODUCTION TO THE WEIGHTED STUDENT FORMULA

A. Background on the Weighted Student Formula

   1) The development process of the Formula
   2) Objectives and guiding principles

B. Description of Weighted Student Formula

   1) Two basic allocations to schools
   2) Elements of the weighted student allocation
   3) Allocation of District resources through the Formula

C. Implementation Timeline

D. Calculation of Foundation Allocation

E. Summary of Districtwide Weighted Student Allocation

A. Background on the Weighted Student Formula

- **Development Process for the Weighted Student Formula**

Over the last year, a wide variety of people from throughout the Seattle School District have worked to design a fundamental change in the way resources are allocated to schools in the District. The result of this work is called the Weighted Student Formula. The Formula will be implemented for the 1997-98 school year and will replace the District's existing resource allocation system which has been based on Staffing Standards.

There are three primary motivations for the District in developing the Weighted Student Formula methodology for allocating resources to schools. First, there will be major changes in District operations over the course of the next few years. Implementation of our new Education Plan and a new Student Assignment Plan will create major changes in every school in the District. Second, we are confronting a serious financial crisis which will dramatically reduce the resources we will have available to meet our educational goals. We have already reduced our budget $15 million in the last year and we are facing an additional $10 million reduction for 1997-98 and another $10 million for 1998-99. Third, and most important, we need to target our resources to meet growing student needs throughout the District. Our overriding mission is to improve the academic achievement of all our students.

The Weighted Student Formula methodology is based on three basic principles:

- Resources follow the student.
- Resources are denominated in dollars, not in FTE staff.
- The allocation of resources varies by the personal characteristics of each individual student.

On December 11, 1996, the School Board voted to utilize the Formula methodology for the development of the District's 1997-98 budget. The Board directed staff to recommend specific weighting parameters to be utilized in the implementation of the Formula. A committee of educators from throughout the District was formed (the "Educators Committee") to recommend these weighting parameters. The Educators Committee was chaired by Deputy Superintendent Arlene Ackerman. The Committee met intensely throughout December and January, and presented their recommendations to the Board at its January 24, 1997 retreat. The Board voted unanimously to accept the recommendations of the Educators Committee at its February 19 Board meeting.

The materials and projections in this document are derived directly from the recommendations of the Educators Committee. A complete summary of the Committee's recommendations are included in a separate report to the Board.

- **Objectives and Guiding Principles of the Formula**

There were three competing educational objectives that had to be addressed through the course of Formula development. First, the Formula needed to be structured so as to direct District resources to best meet the educational needs of all our students. Second, the Formula needed to ensure a viable educational program at every District school for the 1997-98 school year. Third, the Formula needed to ensure compliance with all District obligations, including our maintenance of effort obligations and our SEA contract. At times, these objectives were clearly in conflict with one another; however, we believe the Formula as outlined in this document is structured to best meet all of these objectives.

With these objectives in mind, the Educators Committee laid out a number of guiding principles that directed their development of the Formula. These guiding principles included:

- The Formula must support a quality educational program for all students so as to increase academic achievement.
- Resources must follow the student based on need.
- The Formula must be applied consistently in the treatment of all students and all schools.
- The Formula should generally be based on our current service delivery models.
- The Formula should allow us to meet our current SEA contract and our maintenance of effort obligations.
- The Formula should direct an increased amount of District resources toward the problem of disproportionality.
- In order to ensure school viability, we must establish minimum school size standards to be applied Districtwide.

B. Description of the Weighted Student Formula

- **Two Basic Allocations to Schools**

Under the Formula, there will be two basic allocations of resources to each school. First, there is a foundation allocation which is given to each school to fund the basic administrative operation of the school. Second, there is a weighted student allocation which is attached to each student and varies by the characteristics of the student. The combination of these two allocations will be the total Formula allocation to a school. A school will also receive non-Formula resources, such as itinerant staff, Title I dollars, Family & Education Levy dollars and other grant resources.

Foundation Allocation

The foundation allocation assigned to a school will vary by the type of school - elementary, middle, high and non-traditional graded school. The following table summarizes the foundation allocation to each school type, as well as the minimum school size standards recommended by the Educators Committee:

School Type	Minimum	$$
■ Elementary Schools	250 students	$174,410
■ Middle Schools	600 students.	$366,738
■ High Schools	1000 students.	$477,670
■ Non-Traditional	250 students.	$174,410
· Per middle school student		$302
· Per high school student		$286

A summary of the calculation of the foundation allocation as well as the schools receiving exceptions to this allocation is included on a separate page at the end of this section.

Weighted Student Allocation

The weighted student allocation was developed to deliver resources more equitably to students based upon certain student characteristics. The allocation recognizes that the cost of effectively educating a child varies by the type of student and by the degree of difficulty associated with educating the student. Under the weighted student allocation, three factors will drive the amount of revenue associated with each student. The combination of these three factors will determine the specific dollar amount generated by an individual student at any school.

Grade Level Designation
Student Characteristics
Base Funding Factor

The following depicts the formula to be used to calculate the amount of revenue generated by an individual student for the 1997-98 school year:

Student Revenue = [Grade Level + Student Characteristics] X Base Funding

- **Elements of the Weighted Student Allocation**

Grade Level Designation

Under the weighted student allocation, students are identified as being enrolled in one of the following six grade level designations. Each grade level has a different weighting assigned to it because of the relative costs associated with educating a student at each grade level. Every student in the District will receive the basic funding assigned to his/her grade level designation, regardless of whether or not the student has any of the other student characteristics listed in the next section.

Pre-School (Special Ed. only)
Kindergarten (full and half day)
Primary (Gr. 1-3)
Intermediate (Gr. 4-5)
Middle School (Gr. 6-8)
High School (Gr. 9-12)

Student Characteristics

Each student is identified in accordance with one or more of the following characteristics. These specific characteristics will drive additional resources to students beyond the basic funding driven by their grade level designation.

Bilingual Education
Special Education (by level of service)
Poverty (Free or Reduced Lunch)
Test Score (3 lowest deciles)

That is, every student is funded at a basic amount associated with one of the specified grade levels; in addition, a student may also be identified as a Bilingual and/or Special Education student and further identified as being eligible to participate in the federal Free and Reduced Price Lunch program and/or having low test scores. Each characteristic will drive additional resources to student beyond the basic funding allocation.

Base Funding Factor

The Base Funding Factor is the dollar amount of student revenue that a 1.0 weighted student generates for a school. A 1.0 weighted student is defined as a primary grade (1-3), regular education student with no other student characteristic. To determine the Base Funding Factor, the District first determines the level of weighted student allocation dollars to be distributed to schools, then divides this amount by the district-wide weighted student enrollment. For the 1997-98 school year, the Base Funding Factor is projected to be $2,441.25.

$$\text{Base Funding Factor} = \frac{\text{Total WSF \$\$}}{\text{Weighted Student Enrollment}}$$

- **Allocation of District Resources through the Formula**

Assigned Weightings of the Formula

For each of the student characteristics identified above, a specific weighting has been assigned by grade level. These relative weights assigned to these characteristics are for the most part, patterned after current staffing standards. The following table contains the weightings for each of these student characteristics by grade level:

Table of Relative Student Weights

		Special Education						Test Scores			F&R
GRADE LEVELS	Basic Ed	Lev 1	Lev 2	Lev 3	Lev 4 A	Lev 4 B	Bilingual	0-10%	11-20%	21-30%	Lunch
Pre-School**	0	0.92	0.92	1.51	1.51	4.00	0.00	0	0	0	0
Kindergarten-Half	0.5	0.28	0.49	1.34	1.90	3.88	0.13	0	0	0	0.087
Kindergarten-Full	1	0.57	0.98	2.68	3.80	7.76	0.26	0	0	0	0.087
Primary (1 - 3)	1	0.57	0.98	2.68	3.80	7.76	0.26	0.05	0.03	0.02	0.087
Intermediate (4 - 5)	0.94	0.57	0.98	2.49	3.80	7.76	0.26	0.05	0.03	0.02	0.087
Middle-School (6 - 8)	0.87	0.57	0.98	1.43	3.74	7.70	0.41	0.05	0.03	0.02	0.18
High School (9 - 12)	0.88	0.57	0.98	1.08	3.74	7.70	0.42	0.12	0.08	0.04	0.109

** *Pre-School does not generate Basic Ed funds*

Amount of Resources to be Allocated Through the Formula

To calculate the amount of funds to be allocated to schools through the Formula, we have developed the following preliminary budget plan for the District's 1997-98 Budget. Our 1997-98 budget projections assume enrollment growth as well as a $9.7 million budget cut. At the end of this section of this document is a page which summarizes the Districtwide allocation of resources based on all of the foregoing assumptions.

Estimated 1997-98 District Revenues		**329,000,000**
LESS		
Central Administration		20,378,738
Logistics & Other Support		63,212,488
Centrally-held Instructional Support		44,623,606
General Reserves		20,448,547
School Grant Reserves		2,482,824
School-based Grants		14,972,711
School-based Programs and WSF Holdbacks		6,126,650
EQUALS		
Foundation Allocation	**22,116,678**	
Weighted Student Allocation	**134,637,758**	
Weighted Student Formula Resources		**156,754,436**

C. Implementation Timeline

Item	Date
- Central departments complete their departmental budgets	February 14
- Budget Office submits projected budget allocations to schools	March 3
- Budget Office provides on-going technical support to schools in developing their school-based budgets	March
- Schools complete their staffing and school-based budgets	March 28
- Districtwide staffing plan delivered to Human Resources	April 11
- Superintendent's Recommended Budget presented to Board	May 7
- Reduction in Force notifications received	May 15
- Board adopts 1997-98 General Fund Budget	June

Educators' Committee
Weighted Student Formula

School Foundation Allocations

1997-98 Initial Allocation

Minimum Enrollment for School Viability

ELEMENTARY	MIDDLE	HIGH	Non Traditional Graded
250 students	*600 students*	*1,000 students*	*250 students*

Minimum "Foundation" Allocation Per School

ELEMENTARY		MIDDLE		HIGH		Non Traditional Graded	
Resource	@ Avg Cost	Resource	@ Avg Cost	Resource	@ Avg Cost	Resource	@ Avg Cost
1.0 Principal	87,414	1.0 Principal	95,696	1.0 Principal	101,208	1.0 Principal	87,414
		1.0 Assist Prin	73,700	1.0 Assist Prin	81,438		
.846 Admin Sec	36,448	1.0 Head Sec	41,784	1.0 Head Sec	43,574	.846 Admin Sec	36,448
.580 Ofc. Asst.	21,320	1.0 Assist Sec	37,634	1.0 Assist Sec	35,454	.580 Ofc. Asst.	21,320
				.846 Data Reg.	32,578		
.5 Libranan	29,228	1.0 Libranan	58,456	1.0 Libranan	59,168	.5 Librarian	29,228
		1.0 Counselor	59,468	1.0 Counselor	63,230	Per Pupil Middle	302
				1.0 Act. Coord.	61,020	Per Pupil High	286
Elementary:	**$ 174,410**	**Middle:**	**$ 386,738**	**High:**	**$ 477,670**	**Base:**	**$ 174,410**
		Pupil Increment:	**$ 302**	**Pupil Increment:**	**$ 286**	**+ Pupil Increment:**	**x Mid/High Pupils**

Number of Schools by Grade Level & Foundation Allocation

	ELEMENTARY	MIDDLE	HIGH	Non Traditional Graded	
"Regular"	63	10	10		
				*Indian Heritg	$ 214,823
				*AAA	$ 211,257
				*AES#1	$ 196,760
				*AES #2	$ 181,961
				*Blaine	$ 209,142
				*Summit	$ 302,100
				*TOPS	$ 226,962
TOTAL:	**63 $ 10,987,830**	**10 $ 3,667,380**	**10 $ 4,776,700**		**$ 1,543,004**
Enrollment	*23,022*	*9,053*	*12,165*		*2,755*
Per Pupil Foundation Cost	*$ 477*	*$ 405*	*$ 393*		*$ 560*

Exceptional Schools Foundation Allocation

Marshall	$ 366,738	*Middle School Foundation*
Sharples	$ 366,738	*Middle School Foundation*
NOMS	$ 233,878	*Elementary Foundation + Dollar Value of 1.0 Counselor*
NOVA	$ 174,410	*Elementary Foundation*
TOTAL:	**$ 1,141,764**	
Enrollment	*1,069*	
Per Pupil Foundation Cost	*$ 1,068*	

TOTAL SCHOOL "FOUNDATION ALLOCATION" $ 22,116,678

Districtwide Total Enrollment and Weighted Student Allocation, 1997-98

Seattle School District

Projected Enrollment, 1997-98

GRADE LEVELS	Total Enrollment	Special Education Lev 1	Lev 2	Lev 3	Lev 4 A	Lev 4 B	Bilingual	Test Scores 0-10%	11-20%	21-30%	F&R Lunch
Pre-School**	248	2	1	216	24	5	0				0
Kindergarten-Half	2149	14	17	124	19	4	267	0	0	0	909
Kindergarten-Full	1904	12	14	0	0	0	217	0	0	0	824
Primary (1 - 3)	12324	73	312	186	113	23	1651	1010	876	922	6099
Intermediate (4 - 5)	7546	55	408	149	93	28	799	1515	1732	1683	3728
Middle-School (6 - 8)	10281	62	374	405	184	20	1127	1810	1945	2128	4820
High School (9 - 12)	13309	108	331	303	143	50	1574	2396	2173	2078	4794
TOTALS	**47513**	**326**	**1457**	**1383**	**576**	**130**	**5635**	**6731**	**6726**	**6811**	**21174**

** *Total does not include Pre-School*

Table of Relative Student Weights

GRADE LEVELS	Basic Ed	Special Education Lev 1	Lev 2	Lev 3	Lev 4 A	Lev 4 B	Bilingual	Test Scores 0-10%	11-20%	21-30%	F&R Lunch
Pre-School**		0.92	0.92	1.51	1.51	4.00		0	0	0	0
Kindergarten-Half	0.5	0.28	0.49	1.34	1.90	3.88	0.13	0	0	0	0.087
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Primary (1 - 3)	1	0.57	0.98	2.68	3.80	7.76	0.26	0.05	0.03	0.02	0.087
Intermediate (4 - 5)	0.94	0.57	0.98	2.49	3.80	7.76	0.26	0.05	0.03	0.02	0.087
Middle-School (6 - 8)	0.87	0.57	0.98	1.43	3.74	7.70	0.41	0.05	0.03	0.02	0.180
High School (9 - 12)	0.88	0.57	0.98	1.08	3.74	7.70	0.42	0.12	0.08	0.04	0.109

** *Pre-School does not generate Basic Ed funds*

Allocation of Dollars Based on Weighted Student Formula

Base Funding Factor = $ 2,441.25

GRADE LEVELS	Basic Ed	Special Education Lev 1	Lev 2	Lev 3	Lev 4 A	Lev 4 B	Bilingual	Test Scores 0-10%	11-20%	21-30%	F&R Lunch	TOTAL $$$
Pre-School	$ -	$ 4,504	$ 2,283	$ 795,526	$ 86,392	$ 48,804	$ -	$ -	$ -	$ -	$ -	$ 939,489
Kindergarten	$ 7,271,263	$ 28,237	$ 53,668	$ 405,880	$ 88,178	$ 37,892	$ 222,300	$ -	$ -	$ -	$ 368,070	$ 8,473,488
Primary (1 - 3)	$ 30,085,965	$ 100,803	$ 744,167	$ 1,217,641	$ 1,048,855	$ 435,757	$ 1,047,125	$ 123,283	$ 64,156	$ 45,017	$ 1,295,359	$ 36,208,128
Intermediate (4 - 5)	$ 17,402,854	$ 75,948	$ 973,141	$ 907,405	$ 863,217	$ 530,487	$ 506,755	$ 184,925	$ 126,847	$ 82,172	$ 791,785	$ 22,445,536
Middle-School (6 - 8)	$ 21,718,470	$ 85,814	$ 892,046	$ 1,418,151	$ 1,879,211	$ 375,804	$ 1,124,122	$ 220,933	$ 142,447	$ 103,900	$ 2,118,029	$ 29,878,725
High School (9 - 12)	$ 28,528,419	$ 149,134	$ 789,485	$ 795,738	$ 1,305,039	$ 939,509	$ 1,597,070	$ 701,908	$ 424,387	$ 202,917	$ 1,275,665	$ 36,707,271
Student Allocation	**$ 105,002,970**	**$ 442,239**	**$ 3,454,788**	**$ 5,540,341**	**$ 5,072,893**	**$ 2,368,252**	**$ 4,497,371**	**$ 1,231,049**	**$ 757,837**	**$ 434,006**	**$ 5,848,908**	**$ 134,680,634**
Foundation Allocation												**$ 22,116,679**
TOTAL												**$ 156,797,312**

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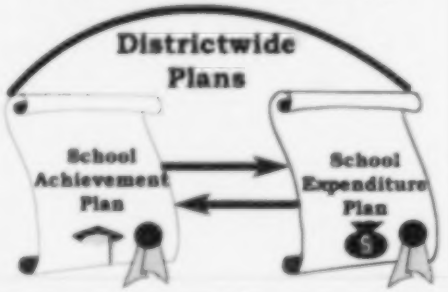
Seattle School District

Resource Allocation Plan

June 24, 1998

School-by-School Planning



Outline of Presentation

- Rationale for a new Resource Allocation Plan.
- Description of the Resource Allocation Plan.
- The effect of the Plan on school operations.
- The role of the District in the new Plan.

Rationale for a New Resource Allocation Plan

District Vision Statement

To create a world class, student focused learning system by 1999.

Is the District's Current Resource Allocation System "Student Focused"?

- Our primary method of allocating resources to schools is through Staffing Standards.
  - Student-teacher ratio based on class size limits
  - Building-based staffing based on school presence or size
  - Program-based staffing based on central decisions
- Resources are allocated on the basis of employees (i.e., FTE), not dollars.

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Description of the Plan

What are the Qualities of a "Student Focused" Resource Allocation Plan?

- Resources follow the student.
  - Not schools, teachers or programs
  - Revenue is "portable"
- Resources are denominated in dollars, not FTE.
  - Maximizing our ability to tailor services to student need
- The allocation of resources varies by the nature of the student.

Student Revenue Factors

- Three factors will drive the amount of revenue associated with each student.
  - Type of student.
  - Degree of difficulty.
  - Funding factor.
- The combination of these factors will result in a specific revenue amount attached to every student.

Calculating a Student's Revenue

Student Type Factor	X	Degree of Difficulty Factor	X	Base Funding Factor	=	Student Revenue

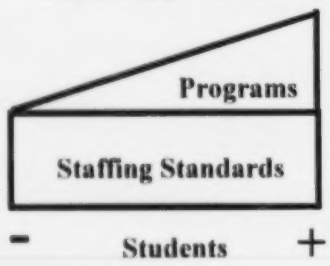
Revenue by Student Type

- The resources allocated to each student will vary by the type of student being served.
- We already allocate our resources on this same basis today.
- Under the new Plan we will convert our existing allocation to an index factor.

STUDENT REVENUE SCHEDULE

Student Type	Index	Dollars
Regular Ed, Basic	1.000	3,526
Regular Ed, Gifted	1.080	3,812
Regular Ed, Voc	1.147	4,044
Bilingual Ed	1.350	4,760
Special Ed, Level 1	1.147	4,044
Special Ed, Level 2	1.350	4,760
Special Ed, Level 3	2.800	9,873
Special Ed, Level 4	4.200	14,809
Special Ed, Level 5	6.000	21,156

Current Degree of Difficulty Factors



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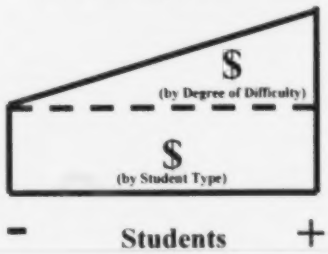
New Degree of Difficulty Factors



Questions Regarding the Degree of Difficulty Factors

- Which students should get more?
- How much more should they get?

Student Characteristics Related to Degree of Difficulty

- **Poverty**
  - Free / reduced lunch
  - Most heavily weighted factor
- **Grade Level**
  - Similar to current Staffing Standards
- **Mobility**
  - Tranfers to new school
  - Suspensions, expulsions
- **Test Scores**
  - Lowest quartile
  - Least heavily weighted factor

Determining a Student's Revenue

Type of Student

TYPE	FACTOR
Type 0	1.000
Type 1	1.080
Type 2	1.147
Type 3	1.350
Type 4	2.000
Type 5	4.200
Type 6	6.000

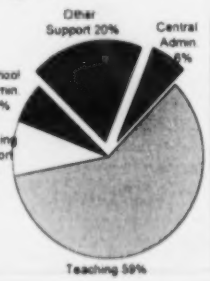
Degree of Difficulty

DEGREE	FACTOR
Degree I	1.00
Degree II	1.05
Degree III	1.10
Degree IV	1.15
Degree V	1.20

Base Funding Factor

Expenditure Budget
(in millions)

Teaching	$185.5
Teaching Support	28.9
School Admin.	20.8
Other Support	63.7
Central Admin.	20.0
Total	$318.9



Calculating a Student's Revenue

Student Type Factor	X	Degree of Difficulty Factor	X	Base Funding Factor	=	Student Revenue

The Effect of the Plan on School Operations

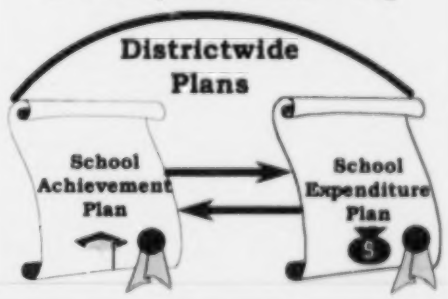
What is the Effect of this Plan on Schools?

- Each school has the ability to generate its own revenue.
- Each school determines its own expenditure plans.
- Clear incentives for efficiency in operations.
- Authority aligned with responsibility.

Major Organizational Changes

- School-based planning and decision making.
  - Achievement Plans and Expenditure Plans
- Principal as CEO.
  - Executive leadership model
- Major modifications to SEA Contract.
  - Reducing "top-down" constraints.
  - Empowering school-based decision making.

School-by-School Planning



The Economics of a School

REVENUE	Enrollment	Rate	Revenue Generated
Type 0, Reg Ed	307	$4,055	$1,244,885
Type 3, Special Ed	11	$4,760	52,360
Type 3, Bilingual	87	$4,760	414,120
Type 4, Special Ed	13	$9,873	128,349
Other Local			31,931
Total Revenue	**418**		**$1,871,645**

COSTS	FTE Staff	Rate	Expenditure Budget
Principal	1.000	$70,330	$70,330
Clerical	1.386	37,106	51,430
Librarian	1.000	58,940	58,940
Teachers,	24.500	50,617	1,240,117
Instructional Assts	7.436	29,966	329,626
Supplies/Other			121,192
Total Costs	**35.322**		**$1,871,645**

Flexibility in Planning

REVENUE	Enrollment	Rate	Revenue
Type 0, Reg Ed	307	$4,055	$1,244,885
Type 3, Special Ed	11	$4,760	52,360
Type 3, Bilingual Ed	87	$4,760	414,120
Type 4, Special Ed	13	$9,873	128,349
Other Local			31,931
Total Revenue	**418**		**$1,871,645**

COSTS	FTE #1	Budget #1	FTE #2	Budget #2
Principal	1.000	$70,330	1.000	$70,330
Clerical	1.386	51,430	1.000	36,140
Librarian	1.000	58,940	.800	47,907
Teachers,	24.500	1,240,117	26.000	1,316,042
Instructional Assts	7.436	329,626	6.084	269,694
Other		121,192		121,532
Total Costs	**35.322**	**$1,871,645**	**34.884**	**$1,871,645**

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Managing Enrollment Growth

REVENUE	Current Enr	Capacity Enr	Current Rev	Capacity Rev
Type 0, Reg Ed	307	361	$1,244,885	$1,453,855
Type 3, Special Ed	11	14	52,360	66,640
Type 3, Bilingual	87	105	414,120	499,800
Type 4, Special Ed	13	20	128,349	197,460
Other			31,931	39,100
Total Revenue	**418**	**500**	**$1,871,645**	**$2,256,855**

COSTS	Current FTE	Capacity FTE	Current Cost	Capacity Cost
Principal	1.000	1.000	$70,330	$70,330
Clerical	1.386	1.773	51,430	62,946
Librarian	1.000	1.000	58,940	58,940
Teachers,	24.500	29.500	1,240,117	1,493,202
Instructional Asstn	7.436	9.464	329,626	419,524
Other			121,192	151,913
Total Costs	**35.322**	**42.737**	**$1,871,645**	**$2,256,855**
Classroom Expenditure per Punil			**$4,045**	**$4,129**

Critical Dependencies to Plan Implementation

- Flexible SEA union contract.
  - Class size constraints.
  - Principal as CEO.
- Significant principal training.
  - Multiple year program.
- Management information systems.
  - Distributed on-site to schools.

Winners and Losers???

- Every school "wins" with the new Plan.
  - Increased local control
  - Opportunities for creativity
  - Incentives for good management
  - Authority to create change
  - Schools plan for optimum capacity
- There will be "winners" and "losers" with the new Plan.
  - Schools that gain enrollment will gain resources.
  - Schools that lose enrollment will lose resources.

The Role of the District in the New Plan

A Market-Based School District

- The new Plan creates a market-based school system.
  - From static to dynamic.
  - From entitlements to enterprise.
  - From central control to local determination.
  - From top-down mandates to entrepreneurship.

The Role of the Central Administration

- Management of revenue and cost schedules.
- Training and technical assistance.
  - Consultive role.
- Central oversight
  - Curriculum.
  - Student assignment.
  - Districtwide mandates.
  - Financial integrity.
- Core central services.

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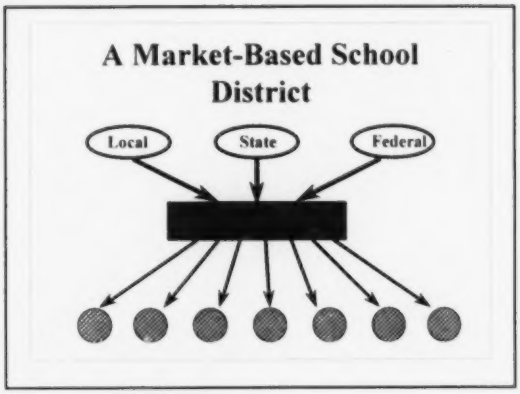
A Market-Based School District
Local
State
Federal

Weighted Student Formula

Educators Committee Report

Presentation to:

The Seattle School Board

School Board Retreat

January 24, 1997

Outline of Presentation

- Development of the Weighted Student Formula
- The WSF Educators Committee
- Recommended Weighting Parameters
  - Overview
  - School Viability
  - Transition to Viability
  - Compliance
  - Social Factors
  - School-by-School Simulations
- Future Issues

Development of the Weighted Student Formula

Joseph Olchefske

The Motivation to Develop the Weighted Student Formula

- There will be major changes in District operations over the next few years.
- The District is suffering severe financial problems.
- We need to target our resources to meet growing student needs throughout the District.

District Vision Statement

To create a world class, student focused learning system by 1999.

Key Characteristics of a Student Focused Allocation System

- Resources follow the student.
- Resources are denominated in dollars, not in FTE staff.
- The allocation of resources varies by the characteristics of the student.

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General Principles in Formula Development

- Educational Equity:
  - "Similar students are funded similarly"
- Educational Efficiency:
  - "Maximum educational outcome for every dollar expended"

WSF Development Timeline

Conceptual overview to Board	May 31
Technical development of the Formula	Summer
Progress report to Board	August 15
Completion of school-by-school simulations	October 28
Board work session	November 20
Public Hearing	December 5
Board commitment to Formula methodology	December 11
Educators Committee work	Dec.-Jan.
Presentation of recommended weightings	January 24

The WSF Educators Committee

Arlene Ackerman

Purpose of the Committee

- The purpose of the Committee was to propose specific student weighting parameters for the Weighted Student Formula.
- The focus of the Committee was the educational soundness of the weighting parameters.

Board Direction to the Committee

- Particular attention was paid to those items cited in the Board's December 11 resolution
  - Small schools which are successful
  - Schools which are small because of racial balance guidelines
  - Adequacy of the proposed poverty factor
  - Student performance factor
  - Clarification of central support services
  - Distribution of categorical dollars
  - Phase-in plan

Committee Composition

- Comprised solely of educators.
  - Chaired by Arlene Ackerman
  - 13 principals
  - SEA leadership
  - Classroom teachers
  - C & I administrators
- Staff support from the Finance Division.

Committee Membership

- Principals
  - David Ackerman
  - Kathy Bledsoe
  - Bi Hoa Caldwell
  - Lynn Caldwell
  - Karen Ho'o
  - Karen Kodama
  - Harry Nelson
  - Robert Radford
  - Mark Robertson
  - Pat Sandler
  - Dean Sanders
  - Ron Snyder
  - Colin Williams
- SEA Leadership
  - Nicky Amodeo
  - Roger Erskine
  - Verleeta Woosen
- Classroom Teachers
  - Linda Dando
  - Ricky Malone
  - Julie Pierce
  - Elaine Wetterauer
- C & I Central
  - Arlene Ackerman
  - Joan Butterworth
  - Ron Jones
  - Gary Tubbs

Competing Educational Objectives

- **Educational Goals:** Direct District's resources to best meet the educational needs of all our students.
- **School Viability:** Ensure a viable educational program at every District school.
- **Compliance:** Maintain compliance with all District obligations, including our maintenance of effort obligations and our SEA contract.

The Funding Crisis

- The District's declining resources create a serious challenge for us in meeting all of our competing objectives.
- However, given our limited resources, our proposed weightings best meet the educational needs of all our students.
- Increased funding would significantly improve our ability to provide a quality educational program.

Guiding Principles

- Providing a quality eductional program for all kids so as to increase academic achievement.
- Resources must follow students based on need.
- The Formula must be applied consistently in the treatment of all students and all schools.
- The Formula should generally be based on our current service delivery models.

Guiding Principles (continued)

- The Formula should allow us to meet our current SEA contract and our maintenance of effort obligations.
- The Formula should direct an increased amount of District resources toward the problem of disproportionality.
- In order to ensure school viability, we must establish minimum school size standards to be applied Districtwide.

Overview of Recommended Weighting Parameters

Mark Robertson

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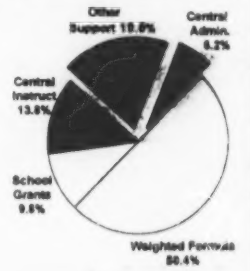
Handout Materials

- Calculation of available WSF dollars.
- Foundation allocation recommendations.
- Recommended weights and aggregate WSF allocation.
- School-by-school simulation.
- List of WSF community presentations.

Funds Committed to the Weighted Student Formula

Expenditure Budget

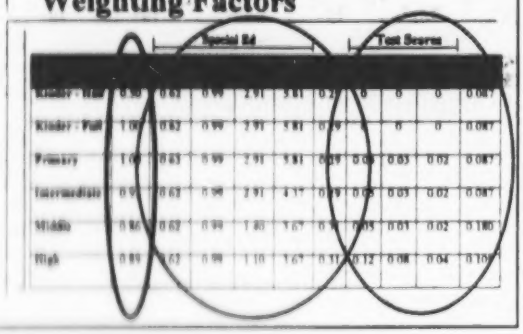
Weighted Formula	$162.2
Grants/Reserves	31.6
Central Instruction	44.3
Other Support	63.8
Central Admin	19.6
Total	$321.5



Two Basic Allocations to Schools

- Foundation Allocation
  - Given to each school to fund the basic administrative operations of the school
  - Varies by type of school - elementary, middle, high
- Weighted Student Allocation
  - Attached to each student
  - Varies by the characteristics of each student

Recommended Student Weighting Factors



School Viability

Pat Sander

The Problem of Viability

- A pure "per pupil" funding system will not provide sufficient resources to all schools so that every school has an viable program.
- However, committing additional resources to these schools to ensure viability will reduce the remaining resources available to serve student needs in all other schools.

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What is School Viability?

- School viability is defined as meeting the following two standards:
  - Sufficient resources to adequately manage the administrative operations of the school
  - Sufficient teaching staff and supplies to meet the District's current student-teacher ratio standard

Committee Recommendations

- A **foundation allocation** of dollars should be provided to every school to fund the basic administrative overhead of each school.
- The District should establish **minimum school sizes** in order for a school to qualify for a foundation allocation.
- A **transition plan** should be created:
  - To assist schools in meeting the minimum sizes
  - To reconstitute schools that do not meet the minimum sizes

Minimum School Sizes
To Qualify for Foundation Allocation

- Elementary Schools - 250 students.
- Middle Schools - 600 students.
- High Schools - 1000 students.
- Non-Traditional Graded Schools - 250 students.

Foundation Allocation
Elementary Schools

Position	FTE	Dollars
Principal	1.000	$86,104
Admin. Secretary	0.846	36,140
Office Assistant	0.580	21,117
Librarian	0.500	30,393
TOTAL		**$173,754**

Foundation Allocation
Middle Schools

Position	FTE	Dollars
Principal	1.000	$94,688
Assistant Principal	1.000	77,222
Head Secretary	1.000	41,766
Assistant Secretary	1.000	37,822
Librarian	1.000	58,120
Counselor	1.000	59,520
TOTAL		**$369,138**

Foundation Allocation
High Schools

Position	FTE	Dollars
Principal	1.000	$99,466
Assistant Principal	1.000	82,024
Head Secretary	1.000	42,762
Assistant Secretary	1.000	34,030
Data Registrar	0.846	33,194
Librarian	1.000	58,432
Counselor	1.000	62,822
Activity Coordinator	1.000	60,966
TOTAL		**$473,676**

Foundation Allocation
Non-Traditional Graded Schools

Position	FTE	Dollars
■ Elementary Allocation		$173,754
plus		
■ Per middle school student		$308
■ Per high school student		$285
■ TOTAL		$$Allocation

Non-Traditional Graded Schools

School	Grade Configuration
■ AS #1	K - 8
■ AS #2	K - 6
■ African Am. Academy	K - 8
■ Blaine	K - 6
■ Indian Heritage	6 - 12
■ Summit	K - 12
■ TOPS	K - 8

Allocation of Resources

- Providing the recommended foundation allocation to every school will absorb $22 million of the District's resources.
- By applying these foundation allocations almost all of our schools will have sufficient resources to be viable next year.

Tests of School Viability

- Our Committee conducted several tests of school viability.
- In small group sessions we developed hypothetical budgets for individual schools.
- We particularly focused on schools that would be significantly impacted by the WSF and the new student assignment plan.

Transition to Viability
Roger Erskine

The Need for a Transition Plan

- 23 schools currently have enrollment below our recommended minimum school sizes.
  - 14 elementary
  - 1 middle
  - 6 high
  - 2 non-traditional graded
- Providing a foundation allocation to these schools significantly increases their per pupil costs, thereby absorbing resources that could otherwise be allocated to other students

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Schools Smaller than Recommended Minimum Sizes

- **High Schools**
  - Cleveland 787
  - Marshall 322
  - Nova 135
  - Rainier Beach 858
  - Sealth 948
  - Sharples 402
- **Middle Schools**
  - NOMS 266
- **Non-Traditional Graded Schools**
  - AE #1 179
  - Indian Heritage 134

Schools Smaller than Recommended Minimum Sizes

- **Elementary Schools**
  - Bagley 239
  - Brighton 237
  - Coho 162
  - Concord 230
  - Dearborn Park 241
  - Dunlap 234
  - King 190
  - Lowell 225
  - McGilvra 212
  - T.T. Minor 202
  - Montlake 231
  - Orca 243
  - Rainier View 211
  - Stevens 242

Transition Plan

- Each school will have to meet the recommended minimum school sizes by the beginning of the 1999-2000 school year.
- Schools could grow their enrollment by recruiting new students, taking on new program placements and/or merging with another school.
- Schools that fail to meet the minimum size requirements should be consolidated, merged or converted into programs.

Exceptions

- Nova
  - Enrollment of 135 is far below high school minimum of 1000 students
  - **Recommendation** - provide an elementary school foundation allocation
  - Convert to a program if 250 enrollment is not met by 1998
- NOMS
  - Enrollment of 266 is far below middle school minimum of 600 students
  - **Recommendation** - provide an elementary school foundation allocation plus $59,520 for a counselor
  - Convert to a program if 600 enrollment is not met by 1998

Exceptions (continued)

- Marshall
  - Enrollment of 322 is far below high school minimum of 1000 students
  - **Recommendation** - provide an middle school foundation allocation
  - Merge with Sharples and treat re-entry as a distinct program
- Sharples
  - Enrollment of 402 is far below high school minimum of 1000 students
  - **Recommendation** - provide an middle school foundation allocation
  - Merge with Marshall and treat re-entry as a distinct program

Exceptions (continued)

- Coho
  - Currently treated as a "school within a school" program, not a school
  - **Recommendation** - provide an elementary school foundation allocation
  - Treat as a program if 250 enrollment is not met by 1998-99
- Interagency and Middle College
  - Service delivery models are significantly different than all other schools. They are "schools without walls"
  - **Recommendation** - Treat as programs, not schools, for 1997-98

Compliance

Robert Radford

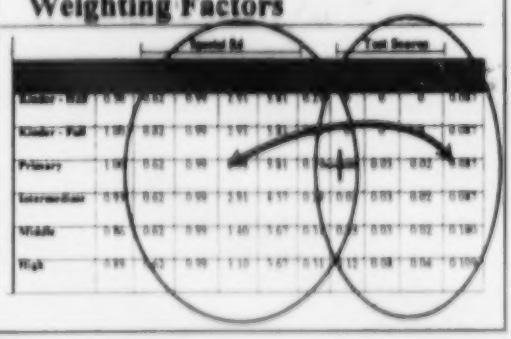
Maintenance of Effort

- The District is subject to "maintenance of effort" constraints in serving its special ed. and bilingual students.
- The recommended weighting parameters are structured to meet these constraints.
- Once these weights are established, future reductions in District revenues will result in pro-rata reductions in funding to these student groups.

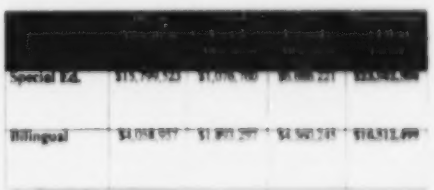
Linking Direct Funding to Social Factors

- With our recommended weights, special ed. and bi-lingual students will be allocated additional resources if they also qualify for social factor funding.
- This is consistent with our treatment of all other students in the Formula.
- Our calculation of maintenance of effort should include the additional resources driven to special ed. and bilingual students due to their social factor status.

Recommended Student Weighting Factors



Maintenance of Effort Targets



Social Factors

Karen Kodama

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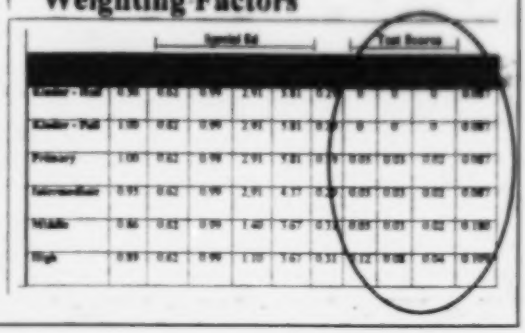
Major Educational Challenges

- Meet the individual educational needs of all our students.
  - Equitable student funding based on individual needs
  - The effects of social factors on educational need
- Support our new student assignment plan.
  - The educational effects of our new student assignment plan require a move to a student-based funding system
  - Increased concentrations of high challenge students
  - Movement of students from school to school over time
- Address disproportionality.
  - Increase our commitment to addressing disproportionality

Recommended Student Weighting Factors



Test Score Factors

- Low test scores are an indicator of greater educational need. However, we did not want to create a disincentive to improve performance.
- Therefore, our proposed weighting is modest and is tiered over three test score ranges to lessen the "disincentive problem."
- Test score weightings are increased at the high school level to reflect lower reporting of free-and-reduced-lunch status.

Free and Reduced Lunch Factor

- Poverty is a strong indicator of future academic performance. Therefore, we are proposing a significant weight for free-and-reduced-lunch status.
- Due to the foundation factor applied to elementary schools, there were less resources available to devote to social factors for elementary students.
- The weight is lower for high school than middle school in order to direct more dollars to the test score factors.

Compensatory Ed. Funding

- Compensatory Ed. is comprised of federal Title I and state Learning Assistance Program (LAP) dollars.
- We reviewed the allocation of Comp.Ed dollars as part of our Committee work. We reviewed both statutory and educational implications
- After reviewing several alternative allocation methods, we recommend maintaining the current allocation formula for the 1997-98 school year.

School-by-School Simulations

Kathy Bledsoe

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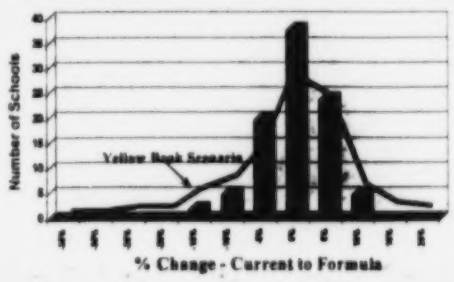
School-by School Simulations

- We have completed a simulation of the Formula using the recommended weighting parameters.
- We have projected the allocation of Formula resources on a school-by-school basis in comparison to each school's current allocation.
- We have completed this simulation only on a current-year basis; we have not yet projected the impact for the 1997-98 year.

Percent Change in Per Pupil Allocation



Future Issues

Arlene Ackerman and Joseph Olchefske

Budget Development Timeline

Presentation of recommended weightings	January 24
Staff and SEA briefings	February 3
Introduction of proposed weightings	February 5
Community Meetings	February
Public Hearings	February
Board approves Formula weightings	February 19
Schools complete their staffing and expenditure plans	Feb.-Mar.
Board approves preliminary Budget Plan	April
Board adopts 1997-98 General Fund Budget	June

School Budget Timeline

Complete central staff budgets	February 10
Distribute projected WSF to schools	February 20
Develop school-based budgets	Feb.-Mar.
Complete school-based budgets	March 28
Deliver staffing plans to Human Resources	April 11
Prepare Supt's Recommended Budget	April-May
Deliver reduction in force (RIF) notices	May 15

Ongoing Issues

- What is a "program"?
  - How are the students served in a program?
  - How is a program funded and staffed?
- Review of service delivery models.
  - Particularly for special ed. and bilingual
- Staff training and participation.
- Other District resources to be included into the Formula in future years.
- Ways to increase weighting for the social factors.

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